

GENERAL INSTRUCTIONS

*Throughout these instructions, **you** and **your** refers to the reporting savings association and its consolidated subsidiaries; **we** and **our** refers to the Office of Thrift Supervision.*

1. REQUESTS FOR INFORMATION OR ASSISTANCE

Please direct all requests for assistance in Thrift Financial Report (TFR) preparation to your assigned financial reporting analyst in the Office of Thrift Supervision (OTS) Financial Reporting Division (FRD), Dallas, Texas. If you do not know the name or phone number of your assigned FRD analyst, call Doris Jackson at 972-277-9618. If you have questions concerning the EFS (Electronic Filing System) software or transmission, call Cheyann Houts at 972-277-9617 or Doris Jackson at 972-277-9618.

OTS maintains a series of TFR questions and answers on its web site at **www.ots.treas.gov**. If you have a question for which you would like an e-mail response, please submit it to your financial reporting analyst or to **tfr.instructions@ots.treas.gov**.

OTS provides one free copy of the TFR Instruction Manual and Financial Reporting Bulletin to report preparers of all OTS-regulated institutions. Additional copies of the manual and bulletins may be ordered from our distribution service at (301) 645-6264 at a cost for a one-year subscription of \$35. You can also access the TFR forms, Instruction Manual, and Financial Reporting Bulletins on the OTS web site at **www.ots.treas.gov**.

2. SCHEDULES

The TFR comprises the following schedules:

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| SC | Consolidated Statement of Condition: Assets, liabilities, and equity capital |
| SO | Consolidated Statement of Operations: Income and expense |
| VA | Consolidated Valuation Allowances and Related Data: Reconciliation of valuation allowances, charge-offs and recoveries, and other data on troubled assets |
| PD | Consolidated Past Due and Nonaccrual: Information on delinquent and nonaccrual loans |
| LD | Loan Data: Information on high loan-to-value loans secured by 1-4 family residential properties without PMI or government guarantee |

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| CC | Consolidated Commitments and Contingencies: Information on commitments and contingencies |
| CF | Consolidated Cash Flow Information: Information on mortgage, deposit, and other activity affecting cash flow during the quarter |
| SI | Consolidated Supplemental Information: Information on deposits, liquidity, QTL, loans to insiders, reconciliation of equity capital, mutual fund sales, and other data |
| SQ | Consolidated Supplemental Questions: Questions concerning structural and other activity during the quarter |
| SB | Consolidated Small Business Loans: Data completed annually as of June 30 to comply with Section 122 of the FDIC Improvement Act |
| FS | Fiduciary and Related Services: Data completed annually as of December 31 on trust assets and activities. Summary data is completed quarterly for institutions with large trust operations. |
| HC | Thrift Holding Company: Summary of holding company financial data |
| CSS | Subordinate Organization Schedule: Listing of information on all subordinate organizations and joint ventures completed annually at December 31 |
| CCR | Consolidated Capital Requirement: Balances necessary to compute the minimum capital requirement |
| CMR | Consolidated Maturity and Rate: Information on interest rate and repricing/maturity characteristics of selected balance-sheet and off-balance-sheet items |

3. FILING DATES

The filing date for all schedules except Schedules HC and CMR is no later than the 30th day following the end of the reporting period. The filing date for Schedules HC and CMR is no later than the 45th day following the end of the reporting period.

OTS distributes a filing schedule for regulatory reports to each OTS-regulated institution at the beginning of each year. The filing schedule is also available on our web site at www.ots.treas.gov. You should refer to this schedule throughout the year. If you have any questions concerning the OTS filing schedule, please contact Doris Jackson at 972-277-9618.

4. FILING THE TFR

OTS provides all savings associations with EFS software for the electronic filing of the TFR. The software facilitates the preparation, edit, and transmission of the TFR and other financial reports. Please direct your questions concerning EFS to the OTS Financial Reporting Division in Dallas, Texas, at 972-277-9617 or 972-277-9618.

All institutions regulated by OTS as of the last day of the quarter are required to file the TFR for the entire quarter. If the documentation submitted to OTS by an institution reflects that the effective date of a charter conversion **to OTS-regulation** from another banking agency is either during the quarter or **prior to** the close of business on the last day of the quarter, the institution is required to file a TFR for that quarter. An institution with a charter conversion **from OTS to another banking regulator** or merger with a non-OTS regulated institution, effective **after** close of business on the last day of the

quarter, is required to file a TFR for the entire previous quarter. Institutions changing banking charters are never required to file a partial report to their former banking regulator; they must file a financial report only with the agency regulating them on the last day of the quarter, reporting activities for the entire quarter. Therefore, an institution that is required to file a TFR is not required to file a Call Report and vice versa. If a newly formed OTS-regulated institution opens for business at any time during the quarter, even if on the last day of the quarter, it is required to file a TFR for the period of operations during the quarter.

5. RECORD RETENTION

You should retain at least one copy of your completed TFR for reference; do not send paper copies to the OTS in Washington. Section 7(b)(5) of the Federal Depository Institutions Act requires each insured depository institution to maintain records for verifying the correctness of the institution's insurance assessment for five (5) years from the date of filing.

6. AMENDING THE TFR

To have amendments included in the first public release of the OTS data file, you must transmit your TFR within **45 calendar days** of the end of the quarter; that is, within 15 days after the TFR due date. Amendments submitted after the 45-day period should have the approval of OTS, FRD in Dallas, before transmission. In no case can OTS process amendments beyond 135 days after the end of the quarter. **With every amendment you file, you should send a user note explaining the reason for the amendment.**

You may correct material errors in prior-period TFRs in one of the following ways depending on the time period being corrected:

1. If you can file an amendment within 140 days of the end of the quarter being corrected, transmit the amendment correcting the TFR in which the error occurred after you discuss it with your FRD analyst in Dallas.
2. If the correction is to an income statement in a quarter that can no longer be amended and is within the current calendar year, include the correction with the current TFR in the same data field that would have carried it in the original report. If the adjustment distorts yields or results in negative numbers in fields that do not permit negatives, include the amendment in Other Noninterest Income, SO490, or Other Noninterest Expense, SO580.
3. If the correction is to an income statement for a quarter from a prior calendar year that can no longer be amended, make the adjustment directly to retained earnings on SI670, Other Adjustments to Equity Capital.

You should file TFR amendments electronically, rather than by phone or fax. Amendments filed electronically automatically update EFS on your computer. Please direct questions regarding the electronic filing of amended TFRs to the OTS Financial Reporting Division in Dallas, Texas, at 972-277-9617 or 972-277-9618.

The amendment filing deadlines above also apply to amending Schedule CMR. All amendments to Schedule CMR must be submitted within 140 days of the end of the quarter.

7. REPORTING BASIS

Prepare the TFR on a consolidated basis in accordance with generally accepted accounting principles (GAAP) based on calendar year reporting. Unless otherwise specified, all data is reported as of the end of the calendar quarter or in the case of income, expense, and other activity data, for the period of one

calendar quarter. Report subordinate organizations that are not GAAP-consolidated subsidiaries using the equity or cost methods of accounting. **Subordinate organization** is defined by OTS regulation. It includes any corporation, partnership, business trust, association, joint venture, pool, syndicate, or other similar business organization in which a savings association has a direct or indirect ownership interest. It excludes an ownership interest that qualifies as a pass-through investment pursuant to 12 CFR § 560.32 and is so designated by the reporting savings association. GAAP-consolidated subsidiaries as defined in 12 CFR § 559.2 mean entities in which a savings association has a direct or indirect ownership interest and whose assets are consolidated with those of the savings association for purposes of reporting under GAAP.

You should apply GAAP unless we specifically state otherwise in these instructions. Accordingly, the instructions for each data field reflect, to the extent possible, GAAP applicable to savings associations. Note, however, that financial statements of savings associations prepared in accordance with GAAP have flexible presentation formats and may require significantly less detail on a less frequent basis than the TFR. The TFR collects additional detail to facilitate supervision by the OTS and to provide uniform information on industry activities. Certain GAAP reporting and presentation concepts may not be consistent with the conventions and frequency of the TFR. In these cases, the TFR instructions override GAAP presentation practices.

The amounts reported on the TFR must be readily reconcilable to the savings association's books and records.

8. EXEMPTION FROM FILING SCHEDULE CMR

Savings associations with less than \$300 million in assets and with risk-based capital ratios in excess of 12 percent for two consecutive quarters are exempt from filing Schedule CMR. All savings associations newly regulated by the OTS are exempt from filing Schedule CMR for the first two quarters that they are under OTS regulation.

You lose your exemption from filing Schedule CMR if you do not meet the exemption criteria for two consecutive quarters. You must file Schedule CMR beginning the quarter after the second consecutive quarter in which you do not meet the criteria. For example, you fail the criteria in March and June, therefore, you must file Schedule CMR for the September quarter, and each quarter thereafter until your OTS Regional Director reinstates the exempt status.

You may also lose your exempt status if your OTS Regional Director requires you to file Schedule CMR. You must continue to file Schedule CMR until your OTS Regional Director reinstates the exemption in writing.

9. TFR PREPARATION

- a. Round all dollar amounts to the nearest thousand. If any balance sheet data field or other balance as of the end of the reporting period is less than \$500, enter a **1** in the data field to indicate that the amount is not zero. This does not apply to the data fields representing income, expense, and other activity. Where necessary for balancing purposes, make adjustments to the appropriate **other** category.
- b. Data fields that we indicate in the instructions and forms as being deducted should not be input as negative; these data fields will be subtracted by EFS. Indicate these data fields as negative only when the instructions say that the netting of certain amounts within these data fields might result in an amount that should be added rather than subtracted. We identify these data fields in italics on the form and mention them in the accompanying instructions.
- c. You should check all data and prove all totals before and after input. Crosscheck data fields that should agree with other data fields. All edit failures indicated in EFS should be thoroughly verified

and corrected where necessary prior to submission. Explain edit exceptions with the user note function of the filing software.

- d. Persons knowledgeable of the overall financial condition and operations of the savings association should review the final TFR. The Officers' and Directors' Certification at the front of the paper copy of the TFR must be signed by an officer and three directors of the savings association for each TFR submitted, including amendments. You must retain this certification form and have it available for inspection by OTS.
- e. Indicate the name and telephone number of the person we should contact if questions arise concerning the TFR. This person should be familiar with OTS's reporting requirements. When someone other than the savings association's personnel prepares the TFR, the contact should be someone who can either answer questions or can quickly obtain such answers from savings association personnel. The name and address of the TFR contact must be correct because we use it to distribute quarterly TFR mailings.